



MEMORANDUM ENDORSEMENT

United States v. Marin et al.,
18 CV 9307 (VB)

By letter dated September 10, 2020, the parties (the “settling parties”) to the June 2, 2020, Stipulation and Order of Settlement (Doc. #163), request a two-week extension of the stay in this matter and two-week adjournment of the case management conference scheduled for September 14, 2020. (Doc. #166).

The application is GRANTED. Accordingly, it is HEREBY ORDERED:

1. This matter is stayed until September 25, 2020.
2. By September 25, 2020, the settling parties shall file a joint letter notifying the Court whether settlement has been effectuated in accordance with the terms of the settlement stipulation.
3. The case management conference currently scheduled for September 14, 2020, at 3:30 p.m., is **re-scheduled for October 2, 2020, at 11:00 a.m.** Because of the current public health emergency, the Court will conduct the conference by telephone. At the time of the scheduled conference, counsel and any unrepresented parties shall attend by calling the following number and entering the access code when requested:

Dial-In Number: (888) 363-4749 (toll free) or (215) 446-3662

Access Code: 1703567

Chambers will mail a copy of this Order to defendant Carl F. Marin at his address on the docket.

Dated: September 11, 2020
White Plains, NY

SO ORDERED:

A handwritten signature in black ink, appearing to read "Vincent Briccetti".

Vincent L. Briccetti
United States District Judge



U.S. Department of Justice

United States Attorney
Southern District of New York

86 Chambers Street
New York, New York 10007

September 10, 2020

Via ECF

Honorable Vincent L. Briccetti
United States District Judge
Southern District of New York
300 Quarropas Street, Room 630
White Plains, New York 10601

Re: *United States of America v. Carla L. Marin et al.*, No. 18 Civ. 9307 (VB)

Dear Judge Briccetti:

This Office represents the United States of America (the “United States” or the “government”), the plaintiff in the above-referenced action to recover the federal estate tax liabilities of the Estate of Ana Beatriz Marin (the “Estate”). I write respectfully pursuant to the Court’s order dated August 18, 2020, on behalf of the parties to the settlement, regarding the status of the effectuation of the settlement in accordance with the terms of the parties’ agreement, and to respectfully request an adjournment of the case management conference scheduled for September 14, 2020, at 3:30 p.m.

The Court entered a Stipulation and Order of Settlement (“Stipulation and Order”) and consent judgment in June 2020, whereby the United States, the Estate and Carla L. Marin (the “Estate Defendants”), along with the State of New York (collectively, the “Settling Parties”), reached a settlement of this matter, contingent on the Estate’s payment of Settlement Amounts (as defined in the Stipulation) and becoming current with federal and state income tax filing requirements by August 31, 2020. *See* Dkt. No. 163 (Stipulation) ¶¶ 4-5; *see also* Dkt. No. 164 (judgment).

The United States and New York both confirm that they have received the respective Settlement Amounts.

United States’ position as to required tax returns. The United States has been advised by the Internal Revenue Service that the Estate Defendants have failed to comply with the provision in the Stipulation and Order requiring the Estate to become current with its federal income tax return filing obligations for tax years 2010 through 2019. Rather, Ms. Marin sent substantially blank tax returns, accompanied by a “rider” listing the alleged reasons the returns could not be properly completed, along with certain unsupported financial figures.

Accordingly, the United States intends to provide the Estate Defendants a notice that they are in default of their obligations under the settlement, *see* Stipulation ¶¶ 5, 9, and will afford them the 14-day period contemplated by the Stipulation and Order to cure the default, *see id.* ¶ 10. If the Estate Defendants do not cure the default in the time allowed, the United States

intends to seek appropriate remedies pursuant to the Stipulation and Order, the judgment, and any other applicable law.

New York's position as to required tax returns. New York reports that it is in the process of confirming whether it has received the Estate's required New York State fiduciary income tax returns and whether these comply with the relevant filing requirements.

Estate Defendants' position as to required tax returns. The Estate Defendants have paid the amounts due to the Federal and State Governments under the settlement Stipulation and Order, and filed signed Forms 1041 (U.S. Income Tax Return for Estates and Trusts) and IT-205 (N.Y. State Fiduciary Income Tax Return) for the Estate for the fiscal years beginning November 1, 2009 through October 31, 2019, inclusive. Those forms included an attached rider identifying total amounts of receipts and expenses for the Estate for each of the Estate's respective fiscal years. The attached rider was based on the best information available to the Estate at the time of preparation.

Counsel for the Federal Government recently informed the Estate Defendants of their position that the returns in their current form are unsatisfactory for purposes of complying with the settlement Stipulation and Order. Because the Federal Government does not believe that the Estate has complied with Paragraph 5 of the settlement Stipulation and Order, it has informed counsel for the Estate Defendants that it intends to send a notice of default pursuant to Paragraph 10 of the settlement Stipulation and Order. Pursuant to that provision, the Estate Defendants will have 14 days from the receipt of the notice to cure their alleged default.

At this juncture, rather than litigate whether the filed Forms 1041 and IT-205 are valid returns and whether the Estate Defendants have complied with Paragraph 5 of the settlement Stipulation and Order, the Estate Defendants have agreed to file revised returns that will hopefully allay the Government's concerns. The Estate Defendants intend to submit those to the IRS and the New York Department of Taxation and Finance within the default period.

Parties' requests regarding 14-day continuation of stay and adjournment of conference. To permit the possibility of a resolution of the outstanding issues regarding the Estate Defendants' compliance during the cure period under the Stipulation and Order, the parties respectfully request that the Court extend the stay of the action for 14 days and adjourn the conference currently scheduled for September 14, 2020, until after expiry of the stay. The parties respectfully propose to file a joint letter addressing the status of the Estate Defendants' efforts to cure the asserted default on or before September 25, 2020.

Thank you for your consideration of this matter.

Respectfully submitted,

AUDREY STRAUSS
Acting United States Attorney
Southern District of New York

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cc: Counsel of record (via ECF)
Carl F. Marin (via e-mail)